United Nations A/60/308

General Assembly

Distr.: General
29 August 2005
English
Original: Spanish

Sixtieth session
Item 57 of the provisional agenda*
Groups of countries in special situations: specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation

Letter dated 25 August 2005 from the Permanent Representative of Paraguay to the United Nations addressed to the Secretary-General

On behalf of the Government of the Republic of Paraguay, site of the Meeting of the Ministers of Landlocked Developing Countries Responsible for Trade held on 9 and 10 August 2005, I have the honour to transmit herewith the Asunción Platform for the Doha Development Round, adopted on 10 August 2005 at Asunción (see annex).

I should be grateful if you would arrange for this letter and its annex to be circulated as a General Assembly document under item 57 (b) of the provisional agenda.

(*Signed*) Eladio **Loizaga**
Ambassador
Permanent Representative

* A/60/150.

05-47528 (E) 010905 020905

Annex to the letter dated 25 August 2005 from the Permanent Representative of Paraguay to the United Nations addressed to the Secretary-General

[Original: English]

Asunción Platform for the Doha Development Round

Adopted at the Meeting of the Ministers of Landlocked Developing Countries Responsible for Trade, 10 August 2005

We, the Ministers responsible for trade of landlocked developing countries, meeting in Asuncion, Paraguay, on 9 and 10 August 2005 to articulate a common position and priorities for all landlocked developing countries at the Sixth WTO Ministerial Conference to be held in Hong Kong, China, from 13 to 18 December 2005 and beyond,

Reaffirming the importance of trade as an engine for growth, development and poverty eradication,

Reaffirming the principles and objectives set out in the Marrakech Agreement establishing the World Trade Organization and reiterating the commitment to further strengthen the Organization to become an open, fair, equitable, rules-based and development-oriented multilateral trading system to meet the development needs of landlocked developing countries,

Noting with satisfaction the Framework Agreement of 1 August 2004 on the Doha Round of Trade negotiations,

Recalling the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries,

Calling the attention of the Members of the WTO to the special problems of landlocked developing countries arising from their lack of territorial access to the sea, remoteness from world markets, additional border crossings, dependence on transit services of neighboring transit countries which result in high trade transaction costs, administrative delays and cumbersome procedures that significantly erode competitiveness of landlocked developing countries,

Expressing the concern that the landlocked developing countries are being increasingly marginalized in multilateral trade and faced by declining market share in world trade. Trade transaction costs for landlocked developing countries remain very high due to their lack of access to the sea, remoteness and isolation from world markets, dependence on transit services and policies of their transit neighbours, prohibitive transit costs, long customs and administrative delays at additional border crossings and ports and cumbersome procedures, and in this regard *calling* the attention of the Members of the WTO to the special problems and needs of landlocked developing countries,

Recalling the São Paulo Consensus adopted at UNCTAD XI, particularly its paragraphs 66 and 84, as well as relevant UN resolutions which, among other things, recognize the landlocked developing countries as small and vulnerable economies and emphasize that the examination of issues relating to the trade of small, vulnerable economies, and the framing of responses to these trade-related issues to facilitate their fuller integration into the multilateral trading system should be actively pursued consistent with the Doha Work Programme, taking into consideration the particular needs of landlocked developing countries,

Supporting developing countries emerging from conflict, in particular landlocked developing countries, with a view to enabling them to rehabilitate and reconstruct, as appropriate, political, social and economic infrastructure and to assist them in achieving their development priorities,

Decide to adopt the following Platform for the Doha Development Round:

Trade facilitation

1. Landlocked developing countries recognize the importance of trade facilitation and the gains to be realized from a more efficient flow of goods and services as well as the improved international competitiveness that result from lower transaction costs, and in this regard reaffirm paragraph 47 of Sao Paulo Consensus.

2. It is in this context that landlocked developing countries have always supported improved mechanism and processes for facilitating the flow of goods and services. The inclusion of trade facilitation in the Doha Round of trade negotiations is a welcome development toward attaining globally binding rules to ensure the freedom of transit of landlocked developing countries, and to expedite the movement, release and clearance of goods, especially those in transit.

3. As agreed in the Annex D of the "July Package" adopted by the WTO General Council on 1 August 2004, the negotiations on trade facilitation shall aim to clarify and improve relevant aspects of Articles V on Freedom of Transit, Article VIII on Fees and Formalities connected with importation and exportation and Article X on Publication and Administration of Trade Regulations of GATT 1994 with a view to further expediting the movement, release and clearance of goods, including goods in transit. Particularly, Article V on freedom of transit should be further strengthened and operationalized in order to improve the access of landlocked developing countries to world markets through their transit neighbors by all means of transport in the most efficient and cost effective way. Transit services should be further liberalized to encourage competition. Transit rules and regulations should be simplified, harmonized, streamlined and made transparent. Furthermore, national treatment should be applied in transit services.

4. Modalities agreed on Annex D of the decision of the General Council of 1 August 2004 should guide the trade facilitation negotiating process and be adequately reflected in the final outcome of the negotiations, so as to ensure the implementation of future disciplines in this area. In this regard, the scope of the commitments resulting from the negotiations must be commensurate with the capacity of landlocked developing countries for the implementation of their commitments. This capacity shall be

determined in accordance with their trade facilitation needs and priorities. Technical assistance and capacity-building need to be provided in order to help these countries implement the commitments assumed.

5. Negotiations shall therefore aim to enhance technical assistance and support for capacity-building for trade facilitation. The negotiations shall also aim to achieve effective cooperation between customs and any other appropriate authorities on trade facilitation and customs compliance issues.

6. There is a strong need to identify the trade facilitation needs and priorities of landlocked developing countries. Technical assistance should be provided to landlocked developing countries on a priority basis as their trade facilitation needs will depend mainly on transit services and the policies of their transit neighbors. Provision of technical assistance and support for capacity-building is vital for landlocked developing countries to enable them to fully participate in and benefit from the negotiations. Members of the WTO should review the effectiveness of the support and assistance that is provided to landlocked developing countries and the ability of the WTO to support the implementation of the negotiated agenda periodically.

7. Special and differential treatment, within the context of the trade facilitation negotiations, must go beyond the customary granting of transition periods for the implementation of commitments. This principle should therefore form an integral part of the clarification and improvement of Articles V, VIII and X of the GATT 1994, of the identification of each Member's needs and priorities, as well as of the means of providing technical assistance and support for capacity-building.

8. Landlocked developing countries are in greater need of technical and financial assistance for their physical infrastructure development which remains one of the main bottlenecks for economic growth and development. Also, transit developing countries need technical and financial assistance in the development of their transit transport infrastructure facilities.

Small and vulnerable economies

9. Landlocked developing countries welcome the adoption of the work programme on small and vulnerable economies to examine issues pertaining to the trade of small economies, as the General Assembly in its resolution 59/245 recognized landlocked developing countries as small and vulnerable economies which are among the poorest of developing countries because of lack of access to the sea, long distance from world markets and high transport and trade transaction costs. The work programme on small and vulnerable economies should result in comprehensive responses to address the trade-related issues identified for fuller integration of small and vulnerable economies into the multilateral trading system.

10. Small and vulnerable economies should be provided greater market access in agriculture and non-agricultural market access (NAMA) to enable them to participate meaningfully in the multilateral trading system to mitigate disadvantages caused by the geographical handicap and smallness of their market and economy. It is also important that special efforts be made to facilitate the full range of services export of small and vulnerable economies.

Agriculture

11. Agriculture is a key sector for the economies of landlocked developing countries with regard to poverty reduction and achieving the Millennium Development Goals. The agricultural sector is protected through high tariffs, tariff picks, tariff escalation and non-tariff barriers in many developed countries, and market access is often denied to products from developing countries, including landlocked developing countries. Export subsidies and domestic supports maintained by developed countries are the main reasons for depressed world prices for agricultural commodities, undermining the competitiveness of landlocked developing countries. In this regard it is urgent to eliminate high tariffs, tariff picks, tariff escalation, non-tariff barriers, export subsidies and to substantially reduce trade-distorting domestic support for protecting the agricultural sector of developed countries.

12. High transit transport costs further deteriorate the market access of landlocked developing countries. Therefore, current negotiations on market access should give particular attention to products of special interest to landlocked developing countries.

13. As per the decision of the General Council of the WTO of 1 August 2004, cotton should be addressed in an expeditious manner within the framework of negotiations on agriculture. In this regard, developed countries should establish a deadline, without any further delay, for the elimination of their current market-distorting export subsidies and substantial reduction of their domestic support measures affecting the competitiveness of landlocked developing countries in the world cotton market.

14. Technical and financial assistance shall be provided to landlocked developing countries for improving agricultural infrastructure, enhancing productivity and diversification and for the development of facilities and systems for compliance with the sanitary and phytosanitary and technical barriers to trade requirements for the export of agricultural commodities.

Non-agricultural market access

15. The decisions relating to the improvements in "market access for non-agricultural products" adopted at the Doha Ministerial Conference, inter alia, state that the negotiations in this area shall aim to reduce and, as appropriate, to eliminate tariffs, including through the reduction or elimination of tariff peaks, high tariffs, tariff escalation, and non-tariff barriers, in particular those relating to products of export interest to developing countries. The special needs and interests of landlocked developing countries should be taken into account, including through less than full reciprocity in the reduction of commitments. Meaningful improvements in market access will require the elimination of non-tariff barriers to exports of interest to landlocked developing countries.

16. With the expiration of the Agreement on Textiles and Clothing on 31 December 2004, the market share of landlocked developing countries in textile export is falling rapidly. This has resulted in significant loss of export earnings for landlocked developing countries, which are dependent on exports of a very limited number of goods. Immediate action is needed to address this issue. Targeted

technical assistance shall be provided to landlocked developing countries to address supply-side constraints.

Special and differential treatment

17. Special and differential provisions constitute the most significant component of the development dimension of the WTO Agreements that provide landlocked developing countries greater flexibility to pursue those policy options most appropriate for rapid economic development and to integrate them into the multilateral trading system. In this regard, special and differential treatment should be accorded to landlocked developing countries to compensate for their geographical disadvantages which erode their competitive edge at the world market.

18. Paragraph 44 of the Doha Ministerial Declaration reaffirmed that "provisions for special and differential treatment are an integral part of the WTO Agreements" and directed that "all special and differential treatment provisions shall be reviewed with a view to strengthening them and making them more precise, effective and operational". Emphasis should be put on the need to address the trade-related issues identified for the fuller integration of small and vulnerable economies into the multilateral trading system as mandated in paragraph 35 of the Doha Ministerial Declaration and as contained in the WTO General Council decision of 1 August 2004 regarding the Doha Work Programme.

Accession

19. Out of the 31 landlocked developing countries 9 are still not members of the WTO. Special priority should be given to facilitating and accelerating negotiations with acceding landlocked developing counties through simplified and streamlined accession procedures. Obligations of acceding landlocked developing countries should be commensurate with their stage of development and their particular situation. All special and differential treatment shall be applicable to all acceding landlocked developing countries.

20. Targeted technical assistance shall be provided to acceding landlocked developing countries on a priority basis, covering all stages of the accession negotiations and taking into account the high costs involved in the accession negotiations.

Technical cooperation and capacity-building

21. Technical cooperation and capacity building are core elements of the development dimension of the multilateral trading system. Technical assistance is vital for landlocked developing countries' efforts to increase their trade-related supply capacity, and to participate effectively in multilateral trade negotiations. Technical assistance should help build human and institutional capacity in landlocked developing countries so as to enable them to implement agreements and take advantage of trade opportunities.

22. Technical assistance programmes for landlocked developing countries should be substantially increased, be demand-driven, and be country-specific. Landlocked developing countries need new and additional assistance in trade facilitation to prepare their common negotiating position, and to measure the impact of their commitments in the context of the relevant provisions of GATT 1994, particularly its Articles V, VIII and X.

23. Technical assistance should also be provided for institutional and human capacity-building of landlocked developing countries to enable them to address complex issues related to the negotiations on services. The constraints faced by landlocked developing countries in analyzing offers and making requests should be factored into the negotiating process in general and into the individual requests made to landlocked developing countries, in particular.

24. The UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States is requested to further enhance its coordination and cooperation with the relevant international organizations, including the World Bank, UNCTAD, the UN regional commissions, the WTO and the World Customs Organization, in order to assist landlocked developing countries in the effective implementation of the Asunción Platform for the Doha Round of trade negotiations.

25. The Asunción Platform for the Doha Development Round should be submitted to the Sixth WTO Ministerial Conference for its consideration and relevant WTO bodies.

26. Express our profound appreciation to the Government of Paraguay for hosting the Meeting of the Ministers of Landlocked Developing Countries Responsible for Trade in Asunción.

27. Agree to entrust Paraguay to pursue the common position of landlocked developing countries in the Asunción Platform at the Sixth WTO Ministerial Conference to be held in Hong Kong, China, and beyond, as the Coordinator of the Group of Landlocked Developing Countries on trade and development matters.